



Delaware Downtown Development Districts

FY 19 Application Cycle Workshop March 4, 2019

Downtown Development Districts Act

- Governor proposed in State of the State Jan. 2014
- Senate Bill 191 Introduced Apr. 2014; passed by both House and Senate (unanimously); signed by the Governor June 5, 2014.
- What the DDD Act did:
 - > Authorized creation of Districts
 - > Laid out the application process
 - Authorized DSHA to issue DDD Rebates, subject to annual funding

Dual Purposes of DDD Program

1. Housing & Community Development:

Help build stable community of long-term residents in Districts and neighborhoods

- Improve housing for persons of all incomes and backgrounds
- Increase homeownership
- Reduce number of vacant houses

Dual Purposes of DDD Program

2. Economic Development:

Improve commercial vitality of Districts and neighborhoods

- ➤ Stimulate job growth
- > Help build diverse array of businesses
- > Harness attraction of our downtowns

Current Status

- Dover, Seaford and Wilmington designated as Districts in 2015
- Smyrna, Harrington, Milford, Laurel and Georgetown designated as Districts in 2016
- As of December 31, 2018: \$24 million in State investement has leveraged \$420 million in private investment
- 119 projects (56 small, 63 large). . . and counting

The Application Process to become a District

- Application for Designation as a District
 - Office of State Planning Coordination (OSPC)
 Responsibility
 - Local Governments are applicants
 - Cabinet Committee on State Planning Issues
 (CCSPI) makes recommendations to Governor
 - Governor designates Districts

FY19 DDD Application Cycle

- Governor Carney announced opening of application period on January 17, 2019 during his State of the State address.
- Application period opened January 23, 2019
- Application materials available on the DDD website. Electronic submission required.
- All application materials due to OSPC by 11:59pm, May 15, 2019.
- Review and designation timeline TBD

The Application Process to become a District

- Local Governments are the applicants
 - Municipalities
 - Counties

Central Business District (CBD)

 An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental and similar uses intended to serve the community and surrounding areas of the city or town.



The Application

DELAWARE DOWNTOWN DEVELOPMENT DISTRICTS
FY19 APPLICATION FOR DESIGNATION AS A DISTRICT





January 23, 2019

- Application must be completed
- Must demonstrate four things:
 - Administration of the District
 - Need and Impact
 - A District Plan
 - Local Incentives

Required Elements

FY19 Application for Designation as a District Application Cover Sheet and Check List		
Date of App	lication	Date Received
19	Check List for Ap	plication Materials
Application Co	ver Sheet and Check	c List.
Information Sh	eet.	
Administration	of the District sum	nary.
Map of the Pro	posed District (GIS	files encouraged).
Map of Future	Land Use in Propos	ed District (GIS files encouraged)
Map of Zoning	in Proposed District	t (GIS files encouraged)
Summary of No	eed and Impact (with	n attachments).
Summary of Di	strict Plan (with atta	achments).
Written Docum	entation from Supp	orting Organizations (attachments)
	ocal Incentives (with	eviolation that extension ex-
	y Resolution (attach	11-11-11-11-11-1
	Pre-Application Wo	
Name	of attendee	

All items must be included for the application to be considered complete

District Boundary Map



- Must include CBD
- Based on urban planning principals
- Clearly show which parcels are included
- Size Limits:
 - 95 acres < 9,000 pop.
 - 185 acres 9,000 -30,000 pop.
 - -250 acres > 30,000 pop.

District Administrator

An individual appointed by the local elected body to be the administrator of the DDD program for that community. The District Administrator will be the chief point of contact for the District and will be responsible for all record keeping and reporting that are required by the program. The District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program. The District Administrator must be a local government staff person, or an elected or appointed official of the local government.

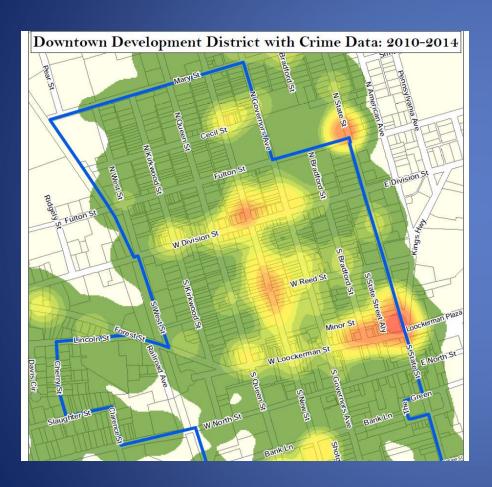
- High level staff, elected or appointed official, such as:
 - Mayor
 - Town Manager
 - Planning Director
- May supervise other staff and/or consultants
- Responsible for DDD
 Program administration
- Must be appointed by local legislative body

Administration of the District (10%)

Application must demonstrate how the local government will administer the program if designated

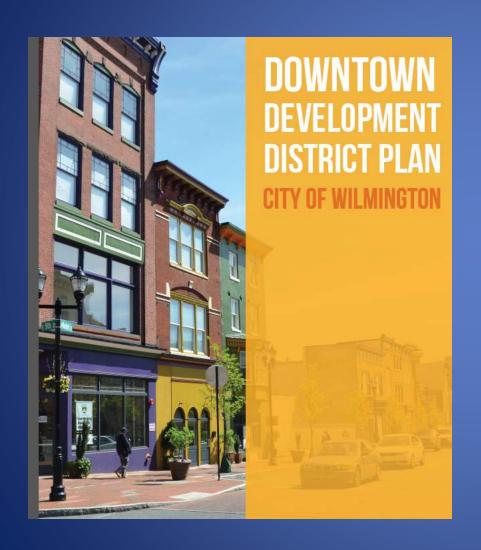
- Economic Development
- Marketing
- Website and Promotional Materials
- Direct assistance to investors
- Record keeping and reporting

Need and Impact (50%)



- Census data
- Income and poverty
- Crime
- Economic data
- Building conditions
- Code enforcement
- Infrastructure
- Vacant buildings
- Potential Impact of Designation

District Plan (20%)



- Should be formatted as a plan for the District
- Could be in comprehensive plan or standalone document
- Revitalization and economic development strategy and plan for District

Key Priority Projects

A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program.

- NEW emphasis in FY19 application round
- Local government may identify specific potential projects and describe their impact
- Broad classes of property types not acceptable
- Need not currently be an active development project
- Should be in District Plan

Local Incentives (20%)

Municode

C. Dover Code of Ordinances

Page 1 of 5

Chapter 102, Article IV: Abatement of Real Estate Taxes

Sec. 102-111. Purpose.

In the opinion of city council, the abatement of city real estate taxes for certain qualifying industries and businesses defined herein best promotes the public welfare by providing incentives for them to expand or locate in the city, thereby creating new employment opportunities for the citizens of the city and ultimately strengthening the city's tax base.

In the opinion of council of the City of Dover, the abatement of city real estate taxes for certain qualifying homeowners in certain designated areas of the city thus promotes the public welfare by providing incentives for these homeowners to purchase residences and locate in these areas in the city.

(Code 1981, § 19.5-31; Ord. of 12-11-2000; Ord. of 8-8-2005(2); Ord. No. 2014-01, 2-10-2014

Sec. 102-112. Authority.

Article VIII, section 1 of the constitution of the state provides that real property located within the boundaries of any incorporated municipality may be exempted from municipal property tax by the municipality when, in the opinion of the municipality, it will best promote the public welfare.

(Code 1981, § 19.5-32; Ord. of 12-11-2000)

Sec. 102-113. Qualifications.

Note: This part of the application has been amended for the FY19 application round.

- Could be existing or proposed
- Should compliment State
 DDD Rebate Program
- Should be meaningful and substantial
- Should be targeted to the District
- Should not be discretionary
- Should be transparent

Applications on File from FY16

- Previous complete applications remain on file for four years
 - Clayton
 - Dagsboro
 - New Castle
 - New Castle County
 - Newark

Applications on File from FY16

- Local Governments with applications on file have the following options:
 - Ask us to review application on file along with required FY19 information and supplemental materials (if desired)
 - Complete an entirely new application this is preferred

Application on File from FY16

If application on file, local government must still complete these sections of the FY19 application

- District Administrator
- Administration of the District
- Key Priority Projects, if desired
- Local Incentives
- Legislative Body Resolution

Application on File from FY16

- If supplemental materials are to be provided
 - Text and materials must be inserted in the proper location on the application form, and / or attached in the proper order
 - Please clearly identify which materials are new and updated
 - Highlighting or red-lining new text would be helpful

The Complete Application

- Application Form Word document
 - We need this in Word to extract text
- Census Summary Spreadsheet Excel document
- District Plan and Attachments .pdf document
 - Single bookmarked .pdf document preferred
 - Present attachments in order of reference in application
 - A table of contents is helpful

Submitting the Application

- Electronic Submission Required
- Instructions will be on OSPC website by April
 15
- Contact OSPC for tech support if needed
- Must be uploaded by 11:59pm on May 15, 2019
- Upload early if you can in case there are any issues. We will not be by the phone at 11pm on May 15. . .

Characteristics of Successful Districts

- Geographic Concentration
- Prioritization / Key Projects
- Infrastructure
- Transparency
- Streamlined Process
- Land Use Regulations
- Targeted Incentives
- Commitment to Success

Geographic Concentration

- Research: proximity matters in redevelopment
- Focus on a manageable area
- Build from strength
- Expand after success, but you've got to start somewhere

Prioritization / Key Projects

- Identify a place to start
- Could be a certain project
 - Private developer initiated project
 - Public project
 - Maybe combine the two. . .
- Sequence of Redevelopment Activities
 - CIP
 - Private activities harder to time

Infrastructure

- Make sure infrastructure is ready to accept development / redevelopment
 - Roads
 - Water
 - Sewer
 - Stormwater
 - Environmental
 - Streetscapes

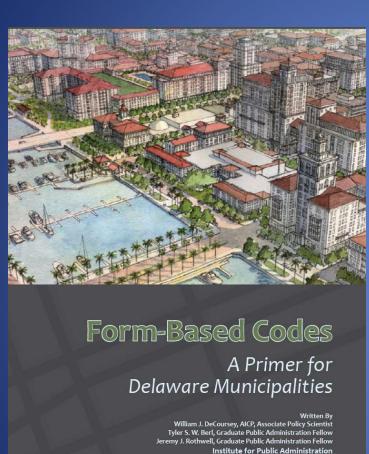
Transparency

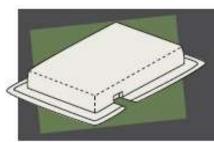
- Will an investor / developer know what they are getting into?
 - Codes
 - Review Process
 - Time
 - Incentives
- Will an investor / developer be able to accurately estimate the costs?

Streamlined Process

- Reduce the process time as much as possible
- Predictability
- Coordination with other agencies is critical
- A (maybe unattainable) Goal: All planning and approvals are done ahead of time; developer simply applies for building permit.

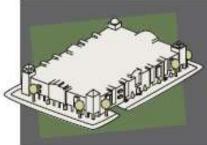
Land Use Regulations





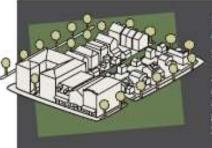
How zoning defines a one-block parcel

Density, use, floor-area ratio (FAR), setbacks, parking requirements, and maximum building heights(s) specified.



How design guidelines define a one-block parcel

Density, use, FAR, setbacks, parking requirements, and maximum building heights(s), frequency of openings, and surface articulation specified.

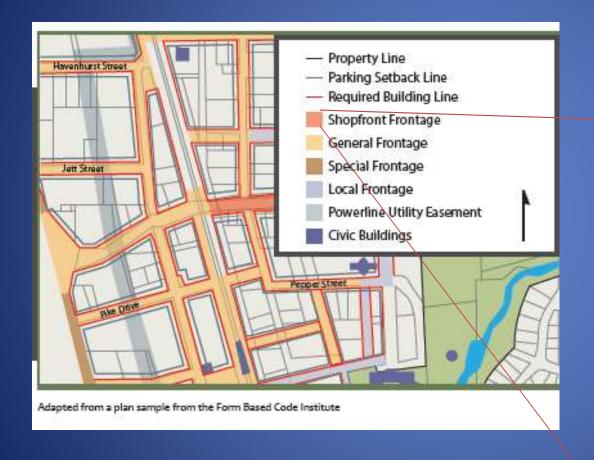


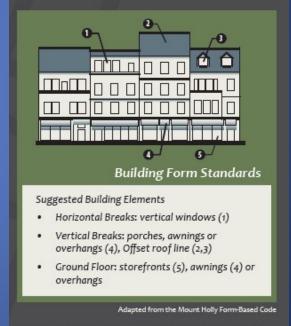
How form-based codes define a one-block parcel

Street and building types (or mix of types), build-to lines, number of floors, and percentage of built site frontage specified.

Adapted from Peter Katz and Steve Price, Urban Advantage

Land Use Regulations





Where pictures are not adequate to convey the desired level of detail, schematics and diagrams are used. In this case, the Live/Work building type was modeled after traditional structures in Mount Holly, N.J.

Targeted Incentives

- Transparent
 - Must be able to tell how it benefits
- Meaningful
 - Must be worthwhile to pursue
- Targeted
 - Geographically focused on the District
- Not Discretionary
 - Available to all investors in the District

Commitment to Success

- Leadership
- Continuity
- Coordination

A final thought

- The Downtown Development District program is a partnership between the State and local government.
- When preparing the application, think of how your local government will craft that partnership to encourage and enable the revitalization of the proposed District.

Once Designated...

- District designation is for 10 years
 - Two five year extensions are possible
 - CCSPI recommends, Governor approves extensions
- Must comply with District Plan
- Must implement and maintain local incentives

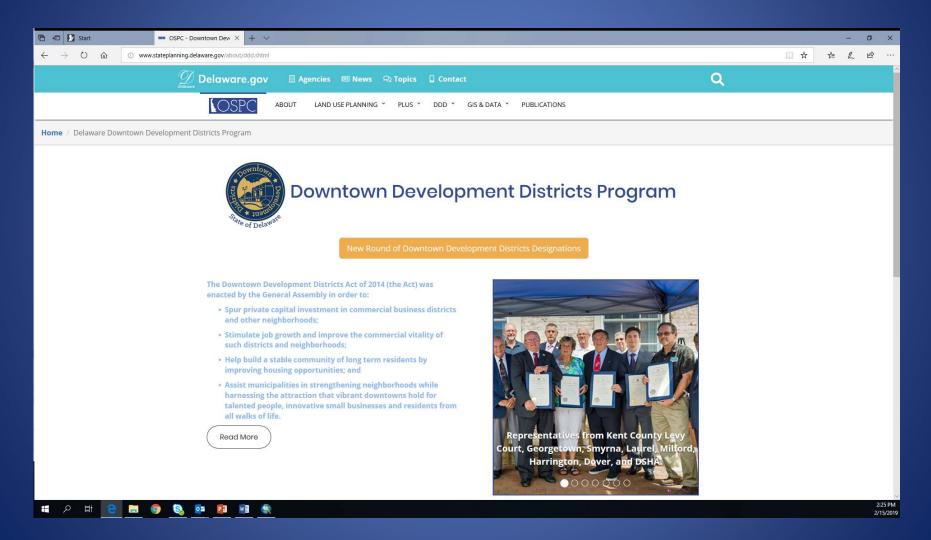
Expectations for DDD Program Administration

- Implement local incentive package
- Maintain a website for local incentive package
 - OSPC will link to the local government website
- Reporting to OSPC and DSHA as requested
- Responsiveness to OSPC, DSHA and potential investors about all aspects of program
- Compliance through OSPC and, if necessary, the Cabinet Committee on State Planning Issues

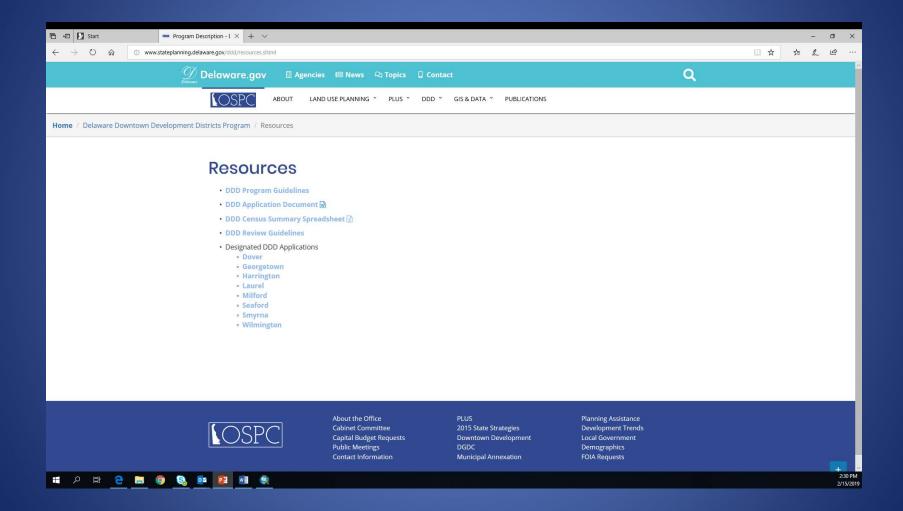
But what if things change?

- Changes to the District Boundary and Local Incentives can be considered
- New Key Priority Projects can be added to the District Plan
- OSPC reviews, forwards to CCSPI for consideration
- Suggest no more than once per year

http://www.stateplanning.delaware.gov/about/ddd.shtml



http://www.stateplanning.delaware.gov/ddd/resources.shtml



2,164

2,164

Number of pages reviewed during FY16 DDD Application period

2,164

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Please be clear and concise when preparing your application

Questions / Discussion



Contact us at:

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www.stateplanning.delaware.gov/about/ddd.shtml